



Memorandum



Miami-Dade County Office of the Inspector General
A State of Florida Commission on Law Enforcement Accredited Agency
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To: Honorable Mayor Carlos A. Gimenez, Miami-Dade County

Honorable Chairman Joe A. Martinez and Members
Board of County Commissioners, Miami-Dade County

From: Christopher Mazzella, Inspector General

Date: September 15, 2011

Subject: Arrest of Section 8 Housing Choice Voucher Program Recipient, IG11-02

Attached is a news release describing the investigation and arrest of Melanie Lyn Davis (Davis), a recipient of Section 8 housing vouchers administered through the Miami-Dade Public Housing Agency (MDPHA). The Housing Choice Voucher Program, a locally administered federal program, has been administered by Florida Quadel, a private management company under contract with the MDPHA, since April 2009. Today's arrest stems from a joint investigation between the Miami-Dade County Office of the Inspector General (OIG); the U.S. Department of Housing and Urban Development, Office of the Inspector General (U.S. HUD OIG); and the Miami-Dade State Attorney's Office.

The investigation revealed that Davis failed to disclose to MDPHA various sources of income, including the income of her husband and, notably, income derived from operating a children's day care out of the house. Records show that Davis received over \$55,000 between 2008 and 2009 from the Miami-Dade County Human Services Department in public-subsidized day care costs for eligible low-income children, none of which was reported to the Section 8 Housing Choice Voucher Program. Davis has been charged with Grand Theft 2nd Degree and Public Assistance Fraud.

The OIG appreciates the participation of the U.S. HUD OIG in this investigation, and we also appreciate the cooperation of Miami-Dade County County's Department of Human Services and Public Housing Agency, and Florida Quadel in the investigation.

cc: Russell Benford, Deputy Mayor, Miami-Dade County
Gregg Fortner, Executive Director, Miami-Dade Public Housing Agency
Phyllis Tynes-Saunders, Director, Department of Human Services
Cathy Jackson, Director, Audit & Management Services, Miami-Dade County
Charles Anderson, Commission Auditor, Miami-Dade County
Timothy Mowery, Special Agent in Charge, U.S. HUD OIG, Tampa, FL
Edwin Bonano, Asst. Special Agent in Charge, U.S. HUD OIG, Miami, FL
Beatriz Cuenca-Barberio, Program Director, Florida Quadel
Clerk of the Board (Copy Filed)



Miami-Dade County
OFFICE OF THE INSPECTOR GENERAL
Christopher R. Mazzella, Inspector General
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NEWS RELEASE

Miami-Dade County OIG and U.S. HUD OIG Joint Investigation Results in Section 8 Fraud Arrest

(Miami, FL)

The Miami-Dade Office of the Inspector General (OIG) announces today the arrest of Melanie Lyn Davis (Davis) on theft and fraud charges stemming from an investigation of her participation in the federal Section 8 Housing Choice Voucher Program. The federal program, locally administered through the Miami-Dade Public Housing Agency (MDPHA), has been administered under contract to Florida Quadel, a private management company, since April 2009. The program is designed to assist low income families pay for suitable housing in the private market. The investigation, which was jointly conducted with the U.S. Dept. of Housing and Urban Development, Office of the Inspector General (U.S. HUD OIG) and the Miami-Dade State Attorney's Office (SAO), revealed that Davis failed to report the true composition of her household and income, including income from a day care business that she ran out of the home. Davis was charged with Grand Theft 2nd Degree and Public Assistance Fraud.

The joint OIG investigation found that from January 2008 through December 2009, Davis received over \$28,000 in rent subsidies from the Section 8 Program. Davis qualified for the subsidy based on what she reported as her income, the income of other people in her household, and her overall assets. The investigation uncovered that Davis was operating a child day care out of the home and that this income was not disclosed. Her day care business, the Melanie Davis Family Day Care Home, was, in fact, qualified by the Miami-Dade County Department of Human Services (DHS), Child Development Services Bureau, to receive public subsidies for eligible low-income children to attend day care. Investigators determined that Davis received over \$55,000 in DHS day care subsidies between 2008 and 2009—none of which was reported to Section 8 Program administrators.

Davis also failed to notify MDPHA of her true household composition and income by omitting her husband and his income from the information she provided the agency.

In commenting on the arrest, Inspector General Chris Mazzella said that Davis' actions abuse resources meant for truly qualified low income families. Copies of the arrest affidavit are available at the Office of the Inspector General at 19 West Flagler Street, Suite 220, Miami, FL, telephone number (305) 375-1946; or at the State Attorney's Office, c/o Ed Griffith, 1350 N.W. 12 Avenue, Miami, FL, telephone number (305) 547-0535.